

NOTICE OF PUBLIC HEARING

REGARDING PROPOSED SEWER RATES IN CHULA VISTA, CALIFORNIA

Public Hearing Date & Time: Tuesday, February 8, 2022 5:00 P.M.

How do you participate in the public hearing?

This meeting of the City of Chula Vista (City) City Council will be held at City Hall, 276 Fourth Avenue, Chula Vista, CA 91910. Please check the final City Council meeting agenda, which will be published no later than 72 hours prior to the meeting. The agenda may be obtained online at www.chulavistaca.gov, by email to cityclerk@chulavistaca.gov, or by calling (619) 691-5041.

Why are you receiving this notice?

The City is mailing this notice to you because you are a sewer customer or are the owner of record of a property that receives sewer service. This notice describes proposed changes to the sewer rates that were last modified on July 1, 2018 and gives information about a public hearing that will be held on Tuesday, February 8, 2022, at 5:00 P.M., at City Hall, 276 Fourth Avenue, Chula Vista, CA 91910 concerning the proposed rate increases. If you are the property owner of record and you have a tenant that is responsible to pay sewer rate bills to the City, please forward this notice to the tenant.

What do sewer rates fund?

The City provides sewer service to about 50,000 residential and commercial customers. Monthly sewer rates charged to system users (customers) are the primary source of revenue to operate and maintain the sewer system and are used for this purpose. Sewer rate revenue provides funding for operation and maintenance of City-owned sewer collection and conveyance facilities, capital projects, debt service, administration, as well as costs related to prudent long-term operation and financial management of the utility system, such as maintaining adequate reserves and planning for contingencies. Since the City does not operate its own wastewater treatment facilities, sewer rate revenue is also used to pay for wastewater treatment provided by the City of San Diego Metropolitan Wastewater Authority (Metro).

Why are rate increases needed?

In 2021, a financial rate study was completed by an independent consultant to evaluate the financial condition of the sewer utility, specifically the ability of current sewer rates to generate sufficient revenue to cover the costs of the sewer utility. The proposed sewer rate increases need to fund the operation of the sewer utility, including costs to fund future capital expenditures, increased costs related to operations and maintenance and increasing payments for third-party costs from the City of San Diego's metropolitan wastewater treatment. In order to meet the projected costs identified in the financial rate study, the proposed rate changes include zero change through June 30, 2022, followed by rate increases of 4.5% from July 1, 2022 through June 30, 2023, 5% from July 1, 2023 through June 30, 2024, 5% from July 1, 2024 through June 30, 2025, and 5.5% from July 1, 2025 through June 30, 2026. The rate structure consists of a base charge and is fixed and a charge that varies based on water usage (volumetric charge). The structure of the rates with a fixed and volumetric charge is proposed to remain in place. The financial rate study projected expenses from Metro which currently comprises about 65% of the City's sewer expenses. The actual and future expenses are not known or controlled by the City. These charges will be evaluated annually and rate increases or decreases will be passed through and applied to the sewer rates. Notice of future changes will be sent 30 days in advance of billing in compliance with Government Code Section 53756. The full financial rate study is available on the City's website at www.chulavistaca.gov/SewerRates.

How do you file a protest?

If an owner or customer of record of a parcel subject to the proposed sewer rate increases wishes to oppose the increases, the owner or customer of record must submit a **written protest** against the proposed sewer rate increases. If written protests are filed by a majority of the affected property parcels, the proposed rate increases will not be adopted.

A written protest to the proposed sewer rate increases must clearly state and contain the following information: (a) an opposition to the proposed change, (b) the street address or Assessor's Parcel Number for the parcel(s) affected by the proposed sewer rate increases, (c) an original signature and legibly printed name of the affected record owner or customer, a protest form can be printed from the City's website (www.chulavistaca.gov/SewerRates). Written protests may be mailed or hand delivered during business hours to the City Clerk at: 276 Fourth Ave., Chula Vista, CA 91910, hand delivered after business hours and deposited in the drop box located in front of the Finance Department main entrance at 276 Fourth Ave., Building A, Chula Vista, CA 91910, or hand delivered during the public hearing to City Council Chambers, located at City Hall, 276 Fourth Ave., Building A, Chula Vista, CA 91910. To be counted, written protests must be received by the City prior to the close of the above-noticed public hearing, including those written protests that are mailed to the City. Written protests that are post-marked prior to above-noticed public hearing date and time but not physically received by the City prior to the close of the above-noticed public hearing will not be counted. Faxed, emailed, or verbal protests will not be accepted as an original signature is required.

Will information events be available?

Yes, the following information events are available virtually, to learn more about the proposed sewer rates, similar information will be presented at each meeting:

- Wednesday, December 8, 2021 from 9:00 A.M. to 10:00 A.M.
- Tuesday, December 14, 2021 from 6:00 P.M. to 7:00 P.M.

Please check this website: www.chulavistaca.gov/SewerRates for information on the virtual meeting access.

How to submit comments?

Comments can be submitted through the online eComment portal for a City Council meeting at www.chulavistaca.gov/councilmeetings or in person. Comments must be received prior to the time the Mayor calls for the close of the commenting period. Although oral and electronic comments at the public hearing will not qualify as a formal protest, unless accompanied by a written protest, the City Council welcomes input from the community during the public hearing on the proposed charges.

Who should I call with questions?

Questions can be sent via email to wastewater@chulavistaca.gov or (619) 476-5380.

Are special accommodations available?

Individuals with disabilities or special needs are invited to request modifications or accommodations to access and/or participate in a City meeting by contacting the City Clerk's Office at cityclerk@chulavistaca.gov or (619) 691-5041 (California Relay Service is available for the hearing impaired by dialing 711) at least forty-eight hours in advance of the meeting.

New sewer rates

The proposed rates keep the basic fixed and volume rates and are intended to fund the projected increased expenses noted above.

RATE START RATE INCREASE	CURRENT 0%	AT APPROVAL 0%	July 1, 2022 4.5%	July 1, 2023 5%	July 1, 2024 5%	July 1, 2025 5.5%
	MONTHLY FIXED SERVICE CHARGE					
Single Family	\$14.53	\$14.53	\$15.18	\$15.94	\$16.74	\$17.66
All Others						
Meter Size: 5/8"	\$14.53	\$14.53	\$15.18	\$15.94	\$16.74	\$17.66
Meter Size: 3/4"	\$14.53	\$14.53	\$15.18	\$15.94	\$16.74	\$17.66
Meter Size: 1"	\$28.49	\$28.49	\$29.77	\$31.26	\$32.82	\$34.63
Meter Size: 1 ½"	\$51.77	\$51.77	\$54.10	\$56.80	\$59.64	\$62.93
Meter Size: 2"	\$79.68	\$79.68	\$83.27	\$87.43	\$91.80	\$96.85
Meter Size: 3"	\$154.15	\$154.15	\$161.08	\$169.14	\$177.59	\$187.36
Meter Size: 4"	\$237.91	\$237.91	\$248.62	\$261.05	\$274.10	\$289.17
Meter Size: 6"	\$470.61	\$470.61	\$491.70	\$516.38	\$542.20	\$572.02
Meter Size: 8"	\$936.01	\$936.01	\$978.13	\$1,027.04	\$1,078.39	\$1,137.70
	MONTHLY VOLUME CHARGE/HCF*					
Residential						
Single Family	\$4.26	\$4.26	\$4.45	\$4.67	\$4.91	\$5.18
Multi-Family	\$4.26	\$4.26	\$4.45	\$4.67	\$4.91	\$5.18
Mobile Homes	\$4.26	\$4.26	\$4.45	\$4.67	\$4.91	\$5.18
Non-Residential						
Commercial - Low	\$4.26	\$4.26	\$4.45	\$4.67	\$4.91	\$5.18
Commercial - Med	\$6.02	\$6.02	\$6.29	\$6.61	\$6.94	\$7.32
Commercial - High	\$9.59	\$9.59	\$10.02	\$10.52	\$11.05	\$11.66
Special Users	Varies	Varies	Varies	Varies	Varies	Varies

*HCF means hundred cubic feet.

Impact on your single-family home bill

For a typical single-family home with a winter average water consumption of 7 HCF, the sewer bill would be:

RATE START SEWER RATE RATE INCREASE	CURRENT	AT APPROVAL	July 1, 2022	July 1, 2023	July 1, 2024	July 1, 2025
	\$41.37	\$41.37	\$43.23	\$45.39	\$47.66	\$50.28
	\$0.00	\$0.00	\$1.86	\$2.16	\$2.27	\$2.62